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Federal Law Enforcement Officers Association

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TESTIMONY BY

SA THOMAS DOYLE

FLEOA NATIONAL EXECUTIVE VICE PRESIDENT

AND LEGISLATIVE CHAIRMAN

ON

THE PROPOSED NEW CHAPTER 84, TITLE I, UNITED STATES CODE,

"CIVIL SRVICE PENSION SYSTEMS"

BEFORE THE COMMITTEE ON GOVERNMENT AFFAIRS, U.S. SENATE
SEPTEMBER 10, 1985

Chart A which follows takes the minimum patrolmen's pay for 37 cities and compares it to the \$14,390 per year starting salary of a GS-5. The figures on starting patrolmen's salaries were obtained from the Fraternal Order of Police's <u>Survey of 1983 Salaries and Working Conditions of Police Departments in the United States</u>, published on March 15, 1983. You can see from Chart A just how low federal starting salaries are by comparison. On average, they are \$3323.18 below the starting salaries of patrolmen.

CHART A

CITIES WITH POPULAIONS OVER 250,000	MINIMUM PATROLMEN'S SALARIES	GS-5 SALARY \$14,390	AMOUNT PATROLMEN'S SALARIES EXCEED GS-5 SALARIES
Chicago, IL	20,106	14,390	+5716
Detroit, MI	19,983	. 11	+5593
Houston, TX	20,550	11	+6160
Los Angeles, CA	23,343	n	+8953
Philadelphia, PA	18,374	**	+3984
-			
Baltimore, MD	15,608	n	+1218
Cleveland OH	18,521	11	+4131
Columbus, OH	13,998	**	- 392
Dallas, TX	20,448	18	+6058
Indianapolis, IN	14,401	**	+11
Jacksonville, FL	16,054	II	+1664
Memphis, TN	14,664	Ħ	+274
New Orleans, LA	16,044	91	+1654
Phoenix, AZ	18,949	11	+4559
San Francisco, CA	24,821	H	+10,431
Washington, DC	18,551	Ħ	+4151
Atlanta, GA	15,700	••	+1310
Austin, TX	17,988	n	+3598
Birmingham, AL	16,000	11	+1610
Charlotte, NC	15,487	n	+1097

Mr. Chairman, Senators, it is indeed a pleasure to be able to comment on changes to federal law enforcement retirement systems included in the proposed new Chapter 84, Title I USC, "Civil Service Pension System."

Federal retirements and cost-of-living adjustments have been of great concern to members of the Federal Law Enforcement Officers Association and to all federal law enforcement officers for some time.

On March 28, 1983, when the Federal Law Enforcement Officers Association met with then-Presidential Advisor Edwin Meese III, we spoke at length about the fears agents and other enforcement personnel had regarding modification of the "6(c)" retirement; reductions in COLA's; and the inclusion of federal officers in the Social Security system.

In 1984, when a group of our national officers met with Mr. Stephen Galebach, Special Assistant to Mr. Meese, these concerns were again spoken of at length. Finally, last week, a delegation met with Attorney General Meese once more and expressed its concern over raising the retirement standard to 55 years of age and 25 years of service, and cutting COLA's to the CPI less 2%.

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Quite honestly, gentlemen, we fear both for the current federal law enforcement officer and his/her family and for the nation. We say this because it is our firm opinion that tampering with the federal law enforcement retirement system, today, will have a damaging effect on federal enforcement and the federal criminal justice system at least until the next century.

Altering federal retirements for law enforcement officers by raising the retirement age to 55 years of age and 20 years of service, curbing COLA's to the CPI less 2%, and reducing pensions by 5% per year for each year a person retires prior to age 55 would eliminate important economic incentives needed to draw qualified young personnel into federal enforcement and keep them there for 20 years.

Crime in the United States today, is one of the primary concerns, if not the primary concern of most citizens. Fighting crime at the federal level requires a young, vigorous work force. In the past that work force was attracted in large measure by a favorable pension system offered to career federal enforcement officers. With the changes you have proposed the pension incentive to enter and stay in federal service is drastically reduced. At present, pay, benefits and pensions for federal law enforcement and major city police departments are roughly comparable. But when one considers the reduced costs of living and lifestyle stability enjoyed by local enforcement personnel, the federal system is actually offering less than its big city counterparts.

For example, a federal officer with a four year college degree enters the federal government as a GS-1811 Criminal Investigator and serves his training period and first year as a Grade 5 making a base pay of \$14,390. When you compare this with the minimum pay for patrolmen in cities with populations over 250,000, that starting salary is quite low.

Chart A - continued

CITIES WITH POPULAIONS OVER 250,000	MINIMUM PATROLMEN'S SALARIES	GS-5 SALARY \$14,390	AMOUNT PATROLMEN'S SALARIES EXCEED GS-5 SALARIES
Cincinnati, OH	22,183	11	+7793
Corpus Christi, TX	16,560	Ħ	+2170
El Paso, TX	14,829	n	+439
Kansas City, MO	16,584	11	+2194
Louisville, KY	14,102	n	-288
Miami, FL	20,675	91	+6285
Montgomery, AL	10,817	11	- 3573
Nashville, TN	14,376	H	-14
Newark, NJ	18,911	. "	+4521
Norfolk, VA	12,696	**	-1694
Oakland, CA	24,096	99	+9706
Oklahoma City, OK	16,934	•	+2544
Omaha, NB	19,200	tt	+4810
Pittsburgh, PA	18,797	n	+4407
Portland, OR	19,280	Ħ	+4890
St. Louis, MO	16,328	**	+1938
Toledo, OH	19,450	11	+5050

Now if career advancement is rapid, a federal officer becomes a journeyman criminal investigator after five years and will earn a base pay of \$31,619 at the GS-12 level. This is where most officers spend their careers. When we compare this to the maximum salaries patrolmen can earn in the 37 cities with populations cited in the Fraternal Order of Police survey we find that journeymen agents' salaries exceed patrolmen's salaries, but not by enough to compensate for the following factors. Federal officers overtime is regulated by AUO provisions and capped at \$6003.00. Patrolmen earn time-and-a-half as scheduled overtime. Federal officers pay for mortgage changes that occur due to

transfers around the nation. Local officers stay in one location and in many cases complete their mortgage payments at the time of their retirement. Federal officers lose spouse incomes as a result of movements around the country and, they lose again when moving from low cost, medium sized cities to major, high-cost metropolitan areas around the nation.

You will see what we mean when you look at Chart B. When you average the difference between the maximum patrolman's salary and the GS-12 salary you find the GS-12 only earns an average base pay that is \$8,202.89 per year more than the patrolman's. This means that federal officers handling international and interstate crimes, possessing at least a four year college degree, investigating white collar crimes in the millions of dollars, and protecting domestic and foreign dignitaries actually wind up with a buying power that is less than that of the big city patrolman.

CHART B

CITIES WITH POPULATIONS OVER 250,000	MAXIMUM PATROLMEN'S SALARIES	GS-12 SALARY \$31,619	AMOUNT GS-12 SALARIES EXCEED PATROLMEN'S MAXIMUMS
Chicago, IL	27,600	31,619	+3819
Detroit, MI	26,398	11	+5021
Houston, TX	26,229	11	+5190
Los Angeles, CA	34,118	H	+2499
Philadelphia, PA	20,895	Ħ	+10,524
Baltimore, MD	19,356	91	+12,063

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Chart B - continued

CITIES WITH POPULATIONS OVER 250,000	MAXIMUM PATROLMEN'S SALARIES	GS-12 SALARY \$31,619	AMOUNT GS-12 SALARIES EXCEED PATROLMEN'S MAXIMUMS
Cleveland OH	22,277	- 	+9142
Columbus, OH	21,985	11	+9434
Dallas, TX	24,792	n	+6627
Indianapolis, IN	20,663	11	+10,756
Jacksonville, FL	22,596	11	+8823
Memphis, TN	19,696	n	+11,723
New Orleans, LA	26,136	11	+5283
Phoenix, AZ	26,811	**	+4608
San Francisco, CA	28,736	11	+2683
Washington, DC	26,714	Ħ	+4705
Atlanta, GA	19,700	n	+11,719
Austin, TX	26,640	n	+4779
Birmingham, AL	20,000	17	+11,419
Charlotte, NC	21,792	11	+9,627
Cincinnati, OH	24,700	11	+6719
Corpus Christi, TX	20,220	н	+11,199
El Paso, TX	17,166	H	+14,253
Kansas City, MO	27,102	11	+4,317
Louisville, KY	17,368	II	+14,051
Miami, FL	27,726	11	+3693
Montgomery, AL	13,941	10	+17,478
Nashville, TN	19,248	11	+12,171
Newark, NJ	20,596	11	+10,823
Norfolk, VA	16,836	11	+14,583
Oakland, CA	29,040	11	+2,379
Oklahoma City, OK	20,734	**	+10,685
Omaha, NB	23,160	n	+8,259
Pittsburgh, PA	23,262	11	+8,157
Portland, OR	28,184	11	+3235
St. Louis, MO	20,358	**	+11,061
Toledo, OH	25,569	11	+5850

Currently, however, the fine federal retirement for law enforcement officers makes up for this. In the retirement area, federal law enforcement officers can leave the government at age

50 with 20 years of service and receive a pension equal to 50% of their high three years. After 25 years they can go out at 60%. After 30 years of service they are able to leave at 70% and after 35 years they receive 80% pensions. All pensions are fully indexed to the Consumer Price Index, and it only takes five years to become vested. Since this pension system has been in effect it has insured young persons come in and stay in the federal law enforcement. It has allowed senior personnel to leave at an age where they can take on second careers and continue to contribute tax dollars on income and pension earnings. This pension system has attracted and held men and women in law enforcement despite stress, dislocation, danger, intangible problems and long after the romance of being a federal criminal investigator had worn away. And, it is this very effective tool that your plan proposes to change.

Your COLA proposal would set the cost-of-living adjustment at the CPI less 2%. This in reality means that over the course of 20 years, given a minimum inflation rate at, or greater than 2% per year, the purchasing power of a federal officers pension would decline 40% or more. Since computation of pensions may soon be based upon the high five years of service, not the high three, the COLA reductions mean even a greater cut in pension income. Finally, proposed penalties for early retirement — and 5% per year for each year under age 55 — and raising the minimum age for retirement to 55 could reduce a federal law enforcement officers pension to as low as 25%. In our opinion this makes little sense at all.

So far, the economic advantages in the current "6(c)" retirment have outweighed such things as children being removed from schools and separated from friends. It has outweighed spouses separation from neighbors and relatives. It has even outweighed the psychological impact of knowing that the first move during a career is to be only the first of several. We believe, however, that the changes you propose will tip the scales in the other direction.

As for raising the retirement age from 50 years of age to 55, it is difficult to imagine a 55 year old man or woman working surveillance at irregular hours under arduous conditions. It is difficult to see 55 year old men and women running along side motorcades on protective assignments. It is difficult to imagine 55 year old men and women taking part in a buy-bust narcotics situation. Both job effectiveness and personnel safety mitigate against raising the retirement age. Moreover, raising the minimum retirement age will almost guarantee that more persons retire on disabilities than currently are doing so.

The current pension system offers federal enforcement officers and their families some clear protection against the vagaries of the countries economic ebb and flow. It reduces the stresses that federal enforcement families must live with and on which their decisions to stay or leave federal service are partly based. That is why we ask you not to change the pension system that currently is in force.

But why is this so important? Why should the special agent or the federal enforcement officer be different than other



special classes of federal employees?

The answer is both a practical and a philosophical one. The basic function of the federal government is to provide for the safety of the American people. Without a vibrant federal enforcement arm, one that reflects the education, attitudes, opinions, and values of the American people, the federal government cannot accomplish its duty.

Interstate and international crime can neither be uncovered nor investigated without a large, capable federal enforcement arm. The coordination of some 17,000 state and municipal police organizations becomes impossible without a stable federal law enforcement arm. And indeed, the prosecutorial, and judicial legs of the federal criminal justice would lose their strength if they could not depend in large measure on the federal law enforcement agencies and officers for continuity.

But for federal enforcement to shoulder this responsibility it must attract a young, vibrant, well educated workforce, train that force, and have it committed to giving 20 years of service.

Under the current federal enforcement system, Assistant U.S. Attorneys come into government for a few years, get credentials, build a reputation, and leave for lucrative private practices of law. Federal enforcement officers hold the system together. But, take away the economic incentive, and it is our belief that special agents, and federal enforcement officers too will enter for a few years, develop their credentials and leave

for equivalent salaried stable posts in local or state law enforcement, or lucrative private security positions. This revolving door syndrome will impact not only on federal enforcement, but on liaison between federal enforcement activities and those at other levels of state and municipal government.

In the late 1960s and early 1970s the United States experienced the problem of having its law enforcement organizations at great oddds with the changing attitudes and values of the nation. It has taken 20 years to begin turning that around. The changes came because a new cadre of young, bright professionals were brought into the expanding federal enforcement establishment and with them came new ideas. attempts to hold down costs by cutting the federal law enforcement retirement system will do away with the very economic incentives that brought these kinds of competent people in and kept them in federal criminal justice. Moreover, it is not hard to hypothesize what the personnel impact of these cuts will have a few years hence. It will mean that those who chose to stay in federal enforcement, despite the economic disadvantages will be neither the best nor the brightest. Good personnel will come in, gain experience and credentials and leave. Because of this attrition, undistinguished careerists will eventually rise and become senior management. Since the full extent of the problem would not be felt for 5 years and legislative remedy could not begin to take effect for 5 more years, federal law enforcement would labor under inferior calibre personnel for at least a

decade.

We in FLEOA find this possibility frightening and we do not believe our national safety could tolerate a decade of this kind of deterioration.

In concluding our comments we want to tell this Committee that we appreciate the terrible pull and tear between competing worthwhile endeavors that must be funded with an ever shrinking pool of financial resources. But if protection of the nation against foreign enemies is the first duty of federal government, then insuring the public safety and order must surely come second. As such we strongly urge you to leave the federal law enforcement retirement system at 50 years and 20 years of service and leave COLA's at full index to the CPI.